

The Impact of Strategic Management Practices on the Performance of Commercial Banks: A Survey in Vietnam

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ABSTRACT

The long-term viability and sustained competitiveness of commercial banks hinge critically on the effective adoption of strategic management practices. This study focuses on assessing the influence of key strategic management dimensions, namely environmental scanning, strategy formulation, strategy implementation, and strategy evaluation and control, on the overall performance of commercial banks in Vietnam. Framed as a quantitative investigation, the study employs a causal-comparative research design to explore the nature and magnitude of these relationships. Primary data were collected via a structured questionnaire, distributed through simple random sampling to 216 managerial-level respondents from ten commercial banks operating in Vietnam. Both descriptive and inferential statistical methods were applied using SPSS to analyze the collected data. The results reveal strong explanatory power for the proposed model, with an R^2 value of 0.685, indicating that the examined strategic management practices significantly account for variations in bank performance. Among the four strategic dimensions, strategy formulation emerged as the most influential predictor, exerting the strongest impact on both financial and non-financial performance outcomes of Vietnamese commercial banks. These findings underscore the imperative for bank executives in Vietnam to institutionalize strategic thinking and consistently apply structured strategic management approaches.

Keywords: Strategy formulation; Strategic management; Environmental scanning; Strategy implementation; Strategy evaluation and control.

1. INTRODUCTION

The banking sector, owing to its critical role in facilitating transactions and delivering financial services to individuals and corporations alike, has become one of the most competitive and dynamic segments of the modern economy (Broby, 2021). In this rapidly shifting landscape, the adoption of effective strategic management practices is no longer optional it is essential for sustaining long-term success and maintaining competitive advantage. Strategic management, which encompasses the processes of setting objectives, formulating strategies, and ensuring their effective execution, plays a central role in helping organizations achieve their long-term goals (Bryson & George, 2020; Irawati et al., 2019).

In the context of commercial banking, strategic management has been shown to influence organizational performance across a variety of dimensions. One of its primary contributions lies in enhancing profitability. Well-articulated goals, paired with coherent and executable strategic plans, allow banks to streamline operations, reduce costs, and increase revenue streams (Broby, 2021). Moreover, by embracing principles of strategic management, banks are better positioned to reallocate resources efficiently and undertake operational restructuring, including the integration of modern technologies such as automation. Such transformations can lead to improved productivity, reduced overhead, and faster service delivery, thereby enhancing overall organizational performance (Mansaray, 2020; Gitahi & Misango, 2020).

Another significant benefit of strategic management in banking is its catalytic effect on innovation. Through clear goal-setting and a culture that encourages experimentation, banks can

develop new and improved financial products and services that align with the evolving needs of customers. This proactive posture not only strengthens competitiveness but also ensures the bank's continued relevance in an industry defined by technological disruption and customer-centric evolution (Al Balushi et al., 2022; Roghanian et al., 2012).

Risk management is yet another domain where strategic management proves indispensable. Banks routinely face a range of risks, including credit, market, and operational risks, that must be managed proactively. Through effective strategic planning, banks can better identify, assess, and mitigate these risks by establishing robust control systems and contingency frameworks. Consequently, this reduces potential losses and contributes to greater financial stability and institutional resilience (Isoh & Nchang, 2020).

Strategic management also provides a framework for decision-making in volatile environments. As Grant (2003) emphasized, strategic planning is not merely the development of comprehensive programs but also the provision of a unifying theme that lends coherence and direction to all organizational decisions and actions. It shapes the organization's purpose, values, goals, and strategies in a manner that is both adaptive and forward-looking.

Stonehouse (2004) conceptualized strategic management as a collection of theories and frameworks guiding executives in envisioning and shaping the long-term trajectory of the organization. It is both an art and a science one that entails formulating, implementing, and evaluating cross-functional decisions to align organizational resources with environmental demands. According to Porter (1998), strategic responsiveness to environmental turbulence is key to ensuring continued profitability and creating shareholder value.

The three core stages of the strategic management process formulation, implementation, and evaluation have distinct but interconnected roles. As noted by Certo and Peter (1991), strategy formulation ensures that an organization sets meaningful and achievable goals based on rigorous internal and external analysis. The implementation stage involves initiating strategic actions, allocating resources, motivating personnel, and enacting policies that support execution. Without effective implementation, even the most sophisticated strategic plans remain inert. The evaluation and control stage, as outlined by David (2005), is critical for assessing the performance of chosen strategies against predetermined benchmarks. It involves performance measurement, plan review, and adjustment, recognizing that every strategic success breeds new challenges and that complacency can lead to decline.

Chang (2016) argued that strategic management is indispensable for firms seeking to make high-stakes decisions that define their purpose, direction, and approach to competitive positioning. Ginter, Duncan, and Swayne (2018) further found that organizations implementing strategic management practices outperform those that do not, with empirical evidence showing improved performance in up to 89% of the firms studied.

Additionally, the implementation of strategic management fosters organizational preparedness. It cultivates a planning culture where managers and subordinates alike recognize the value of long-term orientation, proactive monitoring, and environmental scanning. This results in a more agile and informed response to emerging threats and opportunities.

Although the link between strategic management and organizational performance is widely acknowledged, empirical evidence remains limited particularly in emerging markets such as Vietnam. The strategic behavior of banks in Vietnam is shaped by a unique institutional context, including partial state ownership, regulatory reforms, and pressures from digital transformation. Despite the acknowledged importance of strategy, relatively few studies have systematically examined how strategic management practices affect bank performance in this setting. Therefore, this study seeks to address this gap by empirically exploring the relationship between strategic management practices, namely environmental scanning, strategy formulation, strategy implementation, and strategy evaluation and control, and the performance of commercial banks in Vietnam.

Issues

Despite the global emphasis on strategic management as a cornerstone of institutional performance and sustainability, strategic orientation among Vietnamese organizations remains notably

underdeveloped. According to Pant (2006), the majority of organizations in Vietnam, particularly those in the public and traditional business sectors, continue to operate without a clear strategic framework. Only a limited number of non-governmental organizations (NGOs) and emerging business enterprises have begun to implement various forms of strategic management in a structured way.

This lack of strategic sophistication is not without cultural and historical context. As Somlai (1992) noted, Vietnamese management styles have long been characterized by sycophancy, centralized authority, and bureaucratic inertia. Top-down decision-making continues to dominate organizational behavior, evident in formalized practices such as submitting detailed written memoranda to upper management for final approval, reflecting an overreliance on hierarchical consensus rather than strategic foresight or decentralized agility.

The scarcity of research-based insights on strategic management approaches within Vietnam underscores a critical knowledge gap. While strategic management frameworks have been widely studied and operationalized in Western contexts, little is known about their actual application in Vietnam's institutional and economic environment. This raises essential questions: Are the foundational principles of Western strategic management such as environmental scanning, strategy formulation, implementation, and control being adopted in Vietnam? If so, to what extent, and with what outcomes?

There is growing academic interest in assessing whether strategic management principles can be effectively translated into the context of developing countries like Vietnam. Moreover, as not-for-profit and public service organizations in Vietnam begin to face increasing scrutiny and competition for resources much like their commercial counterparts, the pressure to adopt strategic thinking is intensifying. This convergence of demand and opportunity makes the study of strategic management practices in Vietnam not only timely but necessary.

The banking sector, in particular, stands out as a critical domain for this investigation. Commercial banks in Vietnam are under considerable pressure to enhance operational efficiency, comply with regulatory reforms, and respond to technological disruption, all while meeting the demands of increasingly discerning customers and globalized financial markets. Yet, as O'Regan and Ghobadian (2000) point out, relatively few studies have systematically examined how financial institutions develop and implement strategy. Most of the existing literature is grounded in the broader business sector, with little empirical focus on the strategy formulation processes within financial organizations.

By answering these questions through an empirical lens, this study seeks to contribute to both the academic literature and practical discourse on strategic management in Vietnam. It not only aims to validate whether strategic frameworks developed in other contexts are applicable in Vietnam, but also to provide actionable insights for bank executives, policymakers, and scholars seeking to modernize and professionalize management in the country's financial sector.

Purpose of the Study

In light of the strategic challenges and evolving dynamics within Vietnam's banking sector, the principal objective of this study is to examine the extent to which strategic management practices influence the operational efficiency and overall performance of commercial banks in Vietnam. Specifically, the research was undertaken to identify and assess the strategic management techniques currently employed by Vietnamese commercial banks, explore the relationship between strategic management practices and bank performance, and evaluate the impact of these practices on both financial and non-financial outcomes.

The study addresses three interrelated goals:

(1) To determine the specific strategic management approaches being implemented in Vietnam's commercial banking sector;

(2) To investigate the strength and nature of the association between strategic management practices and organizational performance metrics;

(3) To analyze how core dimensions of strategic management such as environmental scanning, strategy formulation, implementation, and evaluation influence the efficiency, adaptability, and

competitiveness of Vietnamese commercial banks.

By systematically addressing these objectives, the research contributes to the limited but growing body of knowledge on strategic management in emerging economies, while offering practical insights for bank executives and policymakers seeking to modernize Vietnam's financial institutions.

2. LITERATURE REVIEW

Strategic management is widely regarded as an essential process for creating and sustaining competitive advantage. It encompasses environmental analysis, the formulation of original strategies, and their effective implementation (Hoskisson et al., 1999). At its core, strategic management involves defining organizational goals, developing plans and policies, allocating resources, and assessing outcomes to ensure alignment with long-term objectives (David, 2005). Rothaermel (2013) further emphasizes that strategic management is a top management function, as it sets organizational direction and governs the allocation of resources across all functional areas.

However, strategy in practice is not always a linear, top-down process. According to Mintzberg and Waters (1985), realized strategies often emerge as a hybrid of intended actions and adaptive responses to unforeseen environmental changes. This emergent nature necessitates participation across organizational levels, allowing for innovation, flexibility, and resilience in rapidly changing conditions.

The dynamic capabilities theory offers a useful lens to understand this strategic adaptability. Gates (2010) posits that organizations must possess the capacity to reconfigure internal and external competencies to capitalize on emerging opportunities. In highly competitive environments like modern banking, dynamic capabilities such as integrating new technologies and restructuring operations are crucial for long-term success. Dudu and Agwu (2014) describe dynamic capability as the organization's ability to align its internal strengths with external shifts, while Bagnoli and Megali (2011) argue that such capabilities are essential due to the rapid obsolescence of firm-specific advantages.

Analoui and Samour (2012) stress that these capabilities develop over time, requiring emotional intelligence, leadership vision, and systemic adjustments in resource deployment. Banks, therefore, must enhance their dynamic capacities not only to respond to short-term disruptions but to build pathways toward sustainable strategic goals.

In developing economies like Vietnam, however, the strategic management landscape is still evolving. Pant (2006) observes that strategic orientation is relatively underdeveloped among Vietnamese organizations, with only a handful of NGOs and progressive firms adopting formal strategic frameworks. Somlai (1992) further critiques the managerial culture in Vietnam as being marked by centralization, sycophancy, and bureaucratic delay, reinforcing top-down decision-making at the expense of organizational agility.

Given these contextual limitations, there is a pressing need to investigate how strategic management principles originally conceptualized in Western contexts are being applied in Vietnamese commercial banks. As O'Regan and Ghobadian (2000) highlight, there remains a lack of focused research on how financial institutions, particularly banks, formulate and execute strategies, most studies to date having concentrated on industrial or service sectors.

Several international studies affirm the link between strategic management and organizational performance. For instance, Nmadu (2007) found that financial performance indicators such as earnings per share, return on capital employed, and net assets improved significantly as the level of strategic management practice increased among small businesses in Nigeria. Similarly, Muogbo (2013) reported that firms practicing strategic management demonstrated enhanced competitiveness, employee performance, and organizational development.

Studies by Taiwo and Idunnu (2010), Veskaisri et al. (2007), and Hitt et al. (2011) emphasize that strategic planning enhances both the performance and survival of firms, particularly in turbulent socio-political environments. Other empirical findings across Kenya, Indonesia, and Nigeria (Issack & Muathe, 2017; Waweru & Omwenga, 2015; Agwu, 2018; Kornelius et al., 2021) consistently show positive correlations between strategic management elements such as environmental scanning, strategy creation, execution, and control and improved organizational performance.

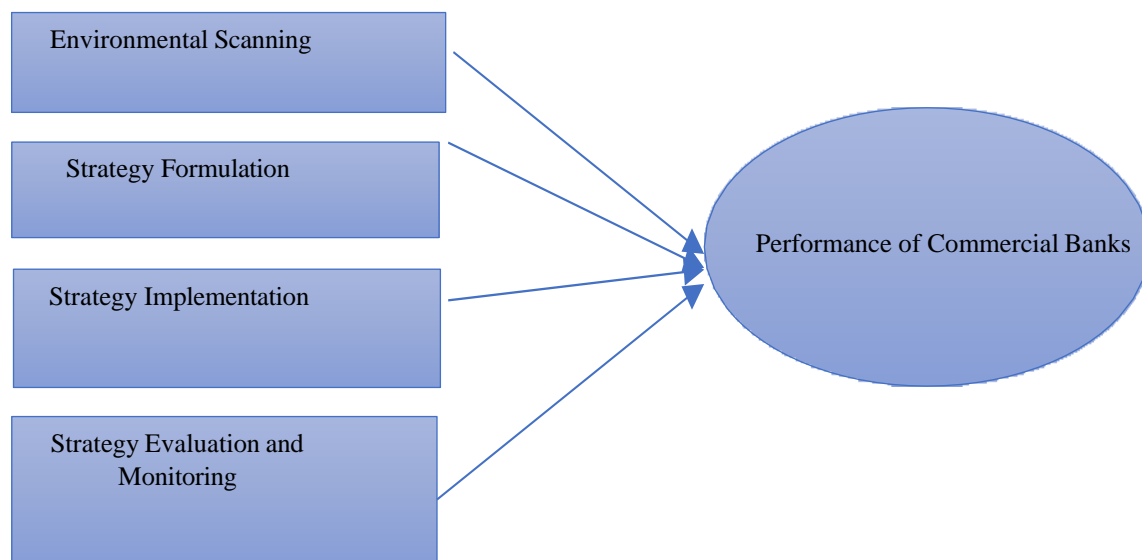
In Kenya, Issack and Muathe (2017) found that strategic planning in public health institutions positively impacted operational efficiency and service quality. Likewise, Chepkemai (2021) demonstrated that strategic planning significantly influenced the performance of passenger fleet management firms in Nairobi.

Despite this growing body of evidence, the specific mechanisms through which strategic management practices affect the performance of commercial banks in Vietnam remain underexplored. While literature suggests that strategic practices enhance organizational outcomes across sectors and regions, the Vietnamese banking context marked by regulatory transitions, digital disruption, and economic volatility warrants independent investigation.

Conceptual Framework of the Study

Four independent variables i.e., environmental scanning, strategy formulation, strategy implementation, and strategy evaluation, make up the suggested conceptual framework for this study, which is related to strategic management techniques. The banking industry's organizational performance is expected to be impacted by the four strategic management approaches.

Figure 1: Conceptual Framework



(Source: Author's synthesis, 2025)

Hypothesis Formulation

H1: The performance of Vietnamese commercial banks is significantly and positively influenced by environmental analysis.

H2: Strategy formulation significantly influences the performance of Vietnamese commercial banks.

H3: Strategy implementation has a significant and positive influence on the performance of Vietnamese commercial banks.

H4: Strategy evaluation and monitoring significantly and positively impact the performance of Vietnamese commercial banks.

3. RESEARCH METHODOLOGY

Research Design

The current study is descriptive and causal comparative in nature which is based on primary data collected.

Sampling and Data Collection

To gather empirical evidence on the relationship between strategic management practices and the performance of commercial banks in Vietnam, this study utilized primary data collected through a structured questionnaire. A five-point Likert scale was employed for measurement, where 1 denoted

"strongly disagree" and 5 denoted "strongly agree" (Likert, 1932). This approach was selected for its efficiency and cost-effectiveness in collecting a large volume of data from a broad respondent base.

The research population comprised all active commercial banks currently operating in Vietnam. A random sampling technique was used to select a representative subset of 10 commercial banks to participate in the study. Within these selected institutions, a purposive sampling method was applied to identify key informants most relevant to the research objectives. These included bank managers, project coordinators, and administrative officers, who were presumed to have sufficient knowledge of their organization's strategic management practices.

A total of 237 questionnaires were distributed across the sampled banks. Of these, 216 completed and valid responses were returned, representing a high response rate suitable for subsequent quantitative analysis. The data collected from these respondents formed the foundation for both descriptive and inferential statistical evaluations of strategic management practices and their impact on bank performance in the Vietnamese context.

Data Analysis

Following data collection, responses from the structured questionnaires were systematically encoded and entered into a computerized database using SPSS software for analysis. Both descriptive and inferential statistical techniques were employed to analyze the data and draw meaningful conclusions regarding the impact of strategic management practices on the performance of commercial banks in Vietnam.

For descriptive analysis, measures of central tendency such as mean and standard deviation were calculated to summarize respondent perceptions, while frequency tables were used to illustrate distribution patterns across variables.

In terms of inferential analysis, the study applied chi-square tests and one-way ANOVA to test hypotheses and assess statistically significant associations between key variables, particularly the relationship between different dimensions of strategic management and organizational performance indicators. Additionally, Microsoft Excel was used as a complementary tool for organizing, tabulating, and visualizing the results.

This dual-software approach ensured both analytical rigor and clarity in the reporting process, allowing for a comprehensive interpretation of the data collected from Vietnamese commercial banks.

Results and Analysis

In the present section, the data analysis for several strategic management variables and performance of commercial banks is presented. Data analysis was carried through SPSS.

Relationship between strategic management variables and commercial banks performance

Table 1. Mean scores, Standard deviations and Correlations of the sample along all Strategic Management variables

	Mean	S.D.	PCB	SEC	SI	SF	ES
PCB	4.1455	0.66335	1				
SEC	4.1364	0.57256	.705**	1			
SI	3.9182	0.65578	.641**	.661**	1		
SF	3.6411	0.60690	.646**	.638**	.750**	1	
ES	4.3621	0.51376	.654**	.515**	.570**	.753**	1

** Correlations are significant at the 0.01 level (2-tailed)

From the above table, the performance of Vietnamese commercial banks as affected by strategic management practices is examined. The mean scores show that all strategic management variables are moderately important in determining firm performance.

The mean scores of environmental scanning dimension are showing above average results (i.e., ES=4.3621). The mean scores of all the items on strategy formulation dimension are showing average (i.e., SF=3.6411). The strategy implementation dimension reveals mean scores above average (i.e., SI=3.9182). The above average mean scores are examined in the strategy evaluation and control

dimension (i.e., $SEC=4.1364$). The mean scores for performance of commercial banks dimension are found to be also above average (i.e., $PCB=4.1455$). The correlation among the research variables was found to be positive and strong. It means all independent variables relate well with the dependent variable taken in the study. Hence it is inferred there is significant association in commercial banks performance and strategic management practices followed.

Influence of Independent strategic management variables on commercial banks performance

Table 2. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression 1	18.740	4	6.346	45.007	.000 ^b
Residual Total	16.992	212	.180		
	35.732	216			

a. Dependent Variable: PCB

b. Predictors: (Constant), ES, SF, SI, SEC

The above table provides the value of F i.e., 45.007 which is significant. It means a significant model has emerged from regression analysis.

Table 3. Regression Coefficient Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.724a	.685	.647	.40038

a. Predictors: (Constant), ES, SF, SI, SEC

From Table 3, the R^2 value (i.e., 0.685) indicates the proportion of variance in the dependent variable explained by the independent variables. The value of R^2 shows that 68.5% variation in dependent variable i.e., performance of commercial banks, is explained by independent variables i.e., environmental scanning, strategy formulation, strategy implementation and strategy evaluation and control taken under study. Rest 31.5% variation in dependent variables will be due to other factors outside the model. This infers there is moderately high influence of independent variables on dependent variable.

Table 4. Multiple Regression

Del		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.612	.401		1.459	.148
	ES	.306	.087	.283	3.654	.000
	SF	.349	.085	.370	4.562	.000
	SI	.232	.067	.265	3.245	.001
	SEC	.323	.063	.376	3.265	.001

a. Dependent Variable: PCB

The above table shows the influence of 'environmental scanning' on 'performance of commercial banks' is significant with value of t-statistic of 3.654. Therefore, the alternative hypothesis H1 is supported: The performance of Vietnamese commercial banks is significantly and positively influenced by environmental analysis.

T value for the variable 'strategy formulation' is positive and significant i.e., 4.562, therefore we can say that 'strategy formulation' significantly impact 'performance of commercial banks'. So, hypothesis H2: Strategy formulation significantly influences the performance of Vietnam commercial banks is accepted.

It has been found that t-statistic for variable 'strategy implementation' is positive and significant. Hence, we can say that 'strategy implementation' influences 'performance of commercial banks' positively and significantly. Therefore, we accept hypothesis H3: Strategy implementation has a

significant and positive influence on the performance Vietnam commercial banks.

The t-value of variable 'strategy evaluation and control' is also positive and significant i.e., 3.265 hence, we infer that performance of commercial banks is influenced by strategy evaluation and control. Therefore, we accept hypothesis H4: Strategy evaluation and monitoring significantly and positively impact the performance of Vietnam commercial banks.

4. DISCUSSION

The primary objective of the present study was to examine the relationship between strategic management practices and the performance of commercial banks in Vietnam. To achieve this, a combination of descriptive statistics, correlation analysis, and multiple regression techniques was employed to investigate the associations between independent variables representing different dimensions of strategic management and the dependent variable of organizational performance within the Vietnamese banking sector.

The findings provide compelling evidence that strategic management practices play a vital role in enhancing both financial and non-financial performance of commercial banks. These results align with prior research by Aboramadan and Borgonovi (2016), which also emphasized the multifaceted impact of strategic planning and execution on organizational effectiveness. Strategic management, when applied systematically, offers organizations a sustainable competitive advantage, enabling them to achieve long-term goals, respond effectively to market dynamics, and foster continuous improvement.

In the context of Vietnam's banking sector currently navigating the pressures of digital transformation, regulatory changes, and the pursuit of sustainable development goals, the implementation of sound strategic management practices becomes not only relevant but essential. However, the study also reveals notable variations in how these practices are understood and implemented across Vietnamese banks. While many bank managers recognize the importance of developing long-term strategies and aligning them with departmental objectives, strategic planning in practice tends to be reactive and short-term oriented, often focused on responding to external challenges rather than proactively shaping competitive direction.

One contributing factor to this short-termism is the volatile and complex business environment in Vietnam, which makes long-term forecasting and goal setting difficult. Constant changes in governmental regulations, coupled with limitations in internal resources and a lack of reliable and timely business intelligence, further constrain the ability of managers to formulate and execute forward-looking strategies. This results in strategic efforts being oriented more toward environmental adaptation than toward true differentiation and innovation.

Furthermore, the study indicates that while Vietnamese bank managers engage in strategic planning, they often lack clarity on how to translate strategic intent into distinctive positioning and competitive advantage. Strategic documents and annual plans may be created, but there is limited evidence that these plans are used to deliberately pursue differentiation strategies or to tailor value propositions that set their institutions apart from competitors.

Consistent with the insights of Mosley et al. (2012), the study affirms that strategic management practices significantly contribute to both financial outcomes and non-financial dimensions such as program quality, internal efficiency, and stakeholder satisfaction. These findings also support the argument made by Letts et al. (1999), who emphasized the link between program performance and managerial effectiveness, particularly in organizations operating under uncertain and resource-constrained environments.

In conclusion, while strategic management practices are clearly beneficial and increasingly acknowledged in Vietnam's commercial banking sector, the implementation gap especially in terms of long-term planning, differentiation, and data-driven situational analysis remains a barrier to fully realizing their potential. To bridge this gap, there is a need for institutional capacity building, improved access to strategic intelligence, and a shift from reactive adaptation toward proactive, innovation-driven strategic positioning.

5. CONCLUSION

By addressing a persistent gap in the literature regarding the relationship between strategic management practices and bank performance, this study makes a substantial contribution to the empirical understanding of organizational effectiveness within the banking sector. While previous research has often lacked clarity or consistency in defining the link between strategic management and measurable outcomes in financial institutions, this study presents robust evidence of a significant correlation between strategic management techniques and both financial and non-financial performance in Vietnam's commercial banks.

These findings underscore the critical importance of adopting comprehensive strategic management practices not only as a theoretical framework, but as a practical necessity for enhancing institutional performance in an increasingly competitive financial landscape. Beyond reaffirming the positive impact of strategy on performance, the study advances the discourse by moving beyond traditional metrics that focus narrowly on access to capital or income generation. In contrast to earlier studies that equated performance solely with funding availability, this research broadens the analytical scope to include key indicators such as operational efficiency, transparency, and stakeholder responsiveness.

A notable strength of this study lies in its integrated approach to performance measurement, incorporating both financial and non-financial dimensions. As emphasized in the strategic management literature, non-financial indicators such as customer satisfaction, internal communication, and innovation capacity are critical for capturing the full spectrum of organizational health. The inclusion of such indicators provides a more nuanced, multidimensional view of how strategic management contributes to the long-term viability and resilience of banks.

Moreover, the study breaks with the conventional emphasis on strategic planning alone, which has dominated much of the empirical work in this field. Rather than focusing exclusively on the presence or absence of formal planning processes, this research evaluates the full strategic management cycle, including formulation, implementation, and evaluation, all of which are indispensable to effective strategy execution. This more holistic perspective highlights the limitations of previous studies that overlooked the operationalization and feedback mechanisms essential to sustained strategic success.

In conclusion, the study not only reinforces the positive association between strategic management and bank performance in Vietnam, but also elevates the methodological rigor and conceptual breadth of research in this area. It provides actionable insights for bank executives, policy-makers, and scholars by emphasizing that strategy must be viewed as an ongoing, organization-wide process rather than a static planning exercise. The findings call for greater attention to execution quality, evaluation mechanisms, and non-financial performance indicators all of which are central to the strategic transformation of the Vietnamese banking sector.

Implications

This study underscores the critical role that strategic management practices play in shaping the performance outcomes of commercial banks in Vietnam. The findings suggest that banks can significantly improve their financial performance—including their ability to raise capital and allocate it efficiently by engaging in a structured and comprehensive strategic management process. This process begins with a thorough situational analysis that accounts for internal strengths and weaknesses, external opportunities and threats, stakeholder expectations, and broader community needs.

Following this diagnostic phase, banks must define their strategic direction by articulating a clear mission, setting measurable and achievable short- and long-term goals, and identifying viable strategic alternatives. Effective implementation then hinges on actively managing key drivers of strategy execution, such as leadership alignment, organizational culture, structural coherence, and operational coordination. Finally, the strategy must be monitored and evaluated on a continuous basis, allowing for real-time adjustments in response to internal performance trends or changes in the external environment.

The research further indicates that banks which embrace a robust, integrated approach to strategic management are better positioned to successfully deliver projects, improve service quality, and

meet both regulatory expectations and customer demands. These institutions demonstrate higher levels of institutional effectiveness and resilience.

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